RSC
Republican Study Committee

Rep. John Shadegg (R-AZ), Chairman
Neil Bradley, Executive Director
432 Cannon House Office Building
Washington, D.C. 20515

http://www.house.gov/burton/RSC/ (202) 226-9717

Campaign Finance Reform: What Happened

Wednesday, February 13, 2002 / Thursday, February 14, 2002

Base bill: H.R. 2356, Shays-Meehan, "Bipartisan Campaign Reform Act"

Amendment in the nature of a substitute:

Shays-Meehan Amendment in the Nature of a Substitute:
(Agreed to 240-191)

Sets November 6, 2002, as the effective date for soft money ban and other provisions. Sets January 1, 2003, as the effective date for contribution limits.

Maintains the large soft money loophole as follows: allows state and local parties to accept and spend $10,000 of soft money per donor per year (when combined with hard money) for non-broadcast voter registration and get-out-the-vote activities that do not mention a federal candidate.

Allows Members of Congress to raise unlimited soft money for certain tax-exempt special interest groups.

Bans soft money contributions to the national political parties. Prohibits federal officeholders and candidates from raising soft money for political parties at the federal, state, and local levels.

Prohibits the use of corporate treasury and union dues money for broadcast communications that mention a federal candidate within 60 days of a general election or 30 days of a primary and which are targeted at the candidate's electorate. Allows the funding of such ads via corporate and union PACs. Requires individuals and groups to disclose contributions and expenditures for similar broadcast communications (excluding candidate debates).

Maintains the contribution limit to House candidates at $1,000 but indexes this limit for inflation from a year-2003 baseline. Increases hard-money limits on individual contributions to Senate and Presidential campaigns to $2,000 per election and for future years indexes these new limits for inflation from a year-2003 baseline. Requires the FEC to issue a new rule to define coordination with a candidate or political party. Requires broadcast television, cable, or satellite providers to charge candidates and national committees of political parties (within 45 days of a primary or 60 days of a general election) the lowest amount they have charged any other advertiser during the preceding 180 days.

Includes a severability provisions so that if any provision of the bill is held unconstitutional, all other provisions would remain in effect.

Armey amendment to the substitute:

Kingston:
(Agreed to 232-196)
Removes the building fund exemption for the disposing of soft money.

Shays amendments to the substitute:

Wamp:
(Agreed to 218-211)
Increases the limit on individual (hard-money) contributions to House candidates from $1,000 to $2,000 per election. (Contributions would be indexed for inflation in future years—with year 2003 as the baseline.)

Green (TX):
(Agreed to 327-101)
Strikes the provision (known as the "Torricelli Amendment" in the Senate companion bill) that strengthened (i.e. made non-preemptible) the lowest-unit-rate benefit for candidates buying air time in the pre-election period. The Green Amendment leaves current law in place.

Capito:
(Agreed to by voice vote)
Allows a candidate running against a wealthy, self-financed opponent to raise hard money contributions at triple the usual contribution limit, and to receive additional coordinated party expenditures. The amount of these additional contributions and expenditures cannot exceed the total amount of personal wealth spent by the opponent. These benefits are triggered when the wealthy opponent has spent more than $350,000 of personal wealth, taking into account as offsets both the personal wealth spent by the non-wealthy candidate and the campaign war chests of both candidates. A wealthy candidate must notify the FEC, the opposing candidate, and his or her party, once he or she has spent $350,000 of personal wealth, and file additional notices every $10,000 thereafter.

Motion to recommit:
(Passed by voice vote)
H.R. 2356 as amended above plus an amendment clarifying that soft money cannot be used to pay off hard-money debts. [Section 402(b)(1)]

Final passage:
(Passed 240-189)

The House bill now goes to the Senate.
Staff contact: Paul Teller, **paul.teller@mail.house.gov**, (202) 226-9718